
**Successor Agency to the
Redevelopment Agency of the City of Burbank
275 East Olive Avenue -- PO Box 6459 – Burbank, CA 91510**

November 1, 2013

Steve Szalay
Local Government Consultant
Department of Finance
915 L Street, Floor 8
Sacramento, CA 95814

**RE: BURBANK SUCCESSOR AGENCY
LONG RANGE PROPERTY MANAGEMENT PLAN**

Dear Mr. Szalay:

On October 28, 2013, the Oversight Board of the Burbank Successor Agency (Successor Agency) adopted Resolution 14, approving the Successor Agency's Long Range Property Management Plan (Plan). The Plan includes nine separate chapters, each dealing with one or more (related) parcels/properties. This letter is intended to provide additional information to the Department of Finance as you consider the Oversight Board's action. The Plan was approved with the following caveats and findings:

1. Chapter 5 (APN 2466-011-905 only) and Chapter 6

Chapter 5 deals with five separate parcels associated with a grade-separation project from the early 1980's. The five parcels are maintained as infrastructure (landscaped medians and transition streets) and are needed for traffic circulation in the area. Only one of the parcels was assigned value due to its adjacency to a single large property.

Chapter 6, 274 E. Orange Grove Avenue deals with a City office building that is being retained by the City of Burbank (City) for governmental purposes.

In consideration of these transfers, the City previously approved a debt reduction for monies owed the City from the Successor Agency. The amount of the debt reduction was based on the estimated value of these properties: \$780,000 and \$2,000,000 respectively. In approving this debt reduction, the Board specifically found that this consideration would result in financial benefits to the taxing entities by reducing the amount of debt that will be repaid to the City.

2. Chapter 8

Chapter 8 involves a public parking structure located at 133 E. Orange Grove Avenue. The Oversight Board voted to remove Chapter 8 from the Plan and to

authorize the conveyance of the property to the Parking Authority of the City of Burbank (Parking Authority), in accordance with a 1991 Cooperation Agreement between the former Redevelopment Agency and the Parking Authority. The Oversight Board believes that this property did not legally belong to the Redevelopment Agency and therefore does not legally belong to the Successor Agency; rather, title should be held in the Parking Authority pursuant to the Cooperation Agreement. However, if the Department of Finance disagrees with that action, then, in the alternative, the Board has pre-approved an action allowing this chapter to remain in the Plan. The property would then be conveyed to the Parking Authority at no cost for a governmental purpose under an enforceable obligation as stated in the 1991 Cooperation Agreement.

3. Chapter 9

Chapter 9 involves the property at 10 W. Magnolia Boulevard (Americold property). This property was purchased through a Cooperation Agreement between the Redevelopment Agency and the City, whereby ownership would be shared 75 percent/25 percent between the City and Redevelopment Agency (with the Redevelopment Agency having the minority share). The Oversight Board desired to place some parameters in the Plan whereby the co-owners will consider options as to the disposition of the Americold Property for possible development within six months, with the intent of the parties to commence marketing the site within one year. This additional language is intended to expedite disposition of the site for the benefit of the taxing entities.

On behalf of the Oversight Board, we encourage the Department of Finance to uphold the Oversight Board's decision. If you have any questions regarding this letter, please contact Ruth Davidson-Guerra, Successor Agency Implementing Official at (818) 238-5180.

Sincerely,



Susan M. Georgino
Oversight Board Chair

C: Office of Successor Agency Counsel
Ruth Davidson-Guerra, Implementing Official